

June 11, 1985

Mr. Ernest Pepples
Senior Vice President & General Counsel
Brown & Williamson Tobacco Corporation
P.O. Box 35090
Louisville, Kentucky 40232

Dear Mr. Pepples:

The Council's General Fund cash balance at the end of June will require replenishment to meet anticipated requirements. It is therefore necessary to request payment of the first installment of dues for 1985.

In accordance with the resolution of the Board of Directors of The Council, approved on December 14, 1984, will you please apply as a basis of payment 2.01 cents per 10,000 tax-paid cigarettes estimated to have been produced by you in 1984. When this figure has been determined you should deduct from it the sum of \$81,928.16. The latter figure represents the prepaid portion of the first installment of 1985 dues which was included in your remittance of \$390,000, paid in March of this year.

A check for the net amount should be made payable to THE COUNCIL FOR TOBACCO RESEARCH-U.S.A., INC. and sent to the above address.

Cordially,

R. F. Gertenbach

RFG/lp